

**INDUSTRY PERFORMANCE, Industry division(a) continued**

		2001-02	2002-03	2003-04	2004-05	2005/06	2006/07	2007/08	2008/09
		<b>C O N S T R U C T I O N</b>							
<b>Industry structure</b>									
Operating businesses	no.	344,561	339,982	365,781	383,517	407,188	N/A	N/A	N/A
<b>Employment</b> At end of June(b)	'000	na	na	na	661.3	722.8	985	1,030	1,030
<b>Financial performance</b>									
Sales and service income	\$m	121,280	138,537	158,214	171,640	196,906	231,848	255,679	261,407
Interest income	\$m	467	1,019	460	655	574	877	1,054	1,360
Other income		1,581	1,428	1,254	1,867	1,322	4,203	2,333	2,577
<i>Total income</i>	\$m	123,328	140,984	159,928	174,162	198,802	237,306	259,369	266,090
Selected labour costs	\$m	18 422	20 387	23 604	25 782	25 782	37,662	42,499	45,090
Cost of sales	\$m	88 933	101 782	112 648	122 561	122 561	159,819	178,403	181,657
Depreciation and amortisation	\$m	2 313	2 774	2 979	3 395	3 395	2,540	3,380	4,119
Interest expenses	\$m	1 376	1 827	1 707	2 212	2 212	3,153	3,729	5,600
Other operating expenses	\$m	1 053	1 136	1 803	1 965	1 965	5,280	1,844	2,300
<i>Total expenses</i>	\$m	123,328	140,984	159,928	174,162	198,802	204,922	230,744	237,296
Change in inventories	\$m	*499	^1 053	^1 441	**423	**12	-3,176	1,279	-1,178
<b>Operating profit before tax</b>	<b>\$m</b>	<b>11,232</b>	<b>13,078</b>	<b>15,935</b>	<b>16,930</b>	<b>19,485</b>	<b>29,209</b>	<b>29,904</b>	<b>27,616</b>
<b>Economic values</b>									
Gross fixed capital formation	\$m	**1 539	1 073	2,375	2,050	2,209	10,540	10,298	11,880
Capital expenditure	\$m	*4 081	3 096	4,227	4,729	4,815	16,221	16,134	18,024
Disposals of assets	\$m	2 186	1 644	1 780	2,400	2,172	4,424	2,709	3,214
Net capital expenditure	\$m	**1 895	1 452	2,447	2,329	2,643	11,796	13,424	14,810
Industry value added	\$m	33 381	37 918	45,957	49,536	57,240	74,358	80,281	83,210
<b>Business averages</b>									
Average values of									
Employment	no.	na	na	na	1.7	1.8			
Sales and service income	\$'000	351.8	405.9	432.4	447.4	483.4	231,848	255,679	261,407
Total income	\$'000	357.9	414.7	437.2	454.1	488.2	237,306	259,369	266,090
Total expenses	\$'000	326.8	379.3	397.6	411.1	440.4	204,922	230,744	237,296
Operating profit before tax	\$'000	32.6	38.5	43.6	44.1	47.9	29,209	29,904	27,616
Industry value added	\$'000	96.9	111.5	125.6	129.2	140.6	74,358	80,281	83,210
<b>Industry ratios</b>									
Profit margin	%	9.3	9.5	10.1	9.9	9.8	12.6	11.7	10.6
Interest coverage	times	9.4	8.3	11.0	8.9	8.7	9.5	9.0	6.0
Investment rate (value added)	%	12.2	8.2	9.2	9.5	8.4	21.8	20.1	21.7
Wages and salaries to sales and service income	ratio	0.13	0.13	0.13	0.13	0.13	0.14	0.15	0.15
Wages and salaries per person employed	\$'000	na	na	na	33.7	35.0	34.0	36.6	39.0
Sales and service income per person employed	\$'000	na	na	na	259.5	272.3	235.4	248.3	253.9
Industry value added per person employed	\$'000	na	na	na	74.9	79.2	75.5	78.0	80.8
<b>Business profitability</b>									
Percentage of businesses that									
Made a profit	%	84.3	83.8	84.2	82.7	82.2	75.8	81.8	75.8
Broke even	%	0.8	1.0	0.9	0.9	1.0	2.9	0.3	1.5
Made a loss	%	14.8	15.2	14.9	16.5	16.8	21.3	17.9	22.7

^ estimate has a relative standard error of 10% to less than 25% and should be used with caution

\* estimate has a relative standard error of 25% to 50% and should be used with caution

\*\* estimate has a relative standard error greater than 50% and is considered too unreliable for general use

na not available

(a) For scope details, see Explanatory Notes, paragraphs 10-17.

(b) Includes working proprietors.

Source: ABS, Australian Industry, 8155.0, 2008-09